



June 25, 2018

Ex Parte

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Re: *In re Petition of USTelecom for Forbearance Pursuant to 47 U.S.C. §160(c) to Accelerate Investment in Broadband and Next-Generation Networks* (WC Docket No. 18-141)

Dear Ms. Dortch:

On Thursday, June 21, 2018, Patrick Brogan, and the undersigned of USTelecom – The Broadband Association (USTelecom); Micah Sachs and Ed Naef of CMA Strategy Consulting (CMA), and Kevin Caves, Omer Gold, and Hal Singer of Economists, Incorporated (EI) (collectively Consultants), had a telephone conference with the following FCC staff: Madeleine Findley, Eric Ralph, Daniel Kahn, Terri Natoli, Pamela Megna, Claudia Pabo, Megan Capasso, and Michele Berlove of the Wireline Competition Bureau (Bureau). This meeting was held in response to a request from WCB staff for additional clarification regarding the data and analyses used to develop the Economic Study appended to the above-referenced Petition for Forbearance (Petition).¹

CMA supplemented the explanations provided in the Economic Study with additional detail about the sources and scope of the data used for the Economic Study. They explained that the data were compiled from the latest information available at the end of 2017 and beginning of 2018, and that all of the data provided by the participating companies were incorporated to the Economic Study.²

CMA further explained the basis for their belief that the pricing data relied upon for the analyses is a sufficient sample, in part because the data set includes about one half of all UNEs

¹ Petition of USTelecom for Forbearance Pursuant to 47 U.S. C. § 160(c) to Accelerate Investment in Broadband and Next-Generation Networks, WC Docket No. 18-141 (filed May 4, 2018) (Petition). *See also* Hal Singer & Kevin Caves, Economists Incorporated, and Ed Naef & Micah Sachs, CMA Strategy Consulting, *Assessing the Impact of Forbearance from 251(c)(3) on Consumers, Capital Investment, and Jobs* (May 2018) (attached to the Petition as Appendix B, and referred to herein as Economic Study).

² As noted in previous filings, the incumbent LECs that submitted proprietary data for the Economic Study are AT&T, Verizon, CenturyLink and Frontier.

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reported to the FCC and reflects a diversity of geographic areas and carriers. Additionally, CMA specifically described how they developed the pricing benchmarks by identifying prices from the public domain, where they were available, for the assumptions outlined in Figures 8 and 9 of the Economic Study. They concluded that these public data are sufficiently “nationally representative” based on both the providers’ footprint or size and CMA’s past experience with the product category. Where actual benchmark prices were not available, CMA explained that they used assumptions of retail and/or wholesale margins to derive pricing inputs into their model.

Please do not hesitate to contact us with any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Diane Holland", with a stylized flourish at the end.

Diane Holland
Vice President, Law & Policy

cc: (via email)

Madeleine Findley

Eric Ralph

Daniel Kahn

Terri Natoli

Pamela Megna

Claudia Pabo

Michele Berlove

Megan Capasso